Frequently Asked Questions - Youth Work Impact Report

For every $1 invested in youth work there is a social return of $12.69

Hands for Impact

1. **How do we know? We measured it.**

   We undertook a Social Return on Investment (SROI) study, to understand, measure, and value the impact of youth work by identifying what outcomes youth work activities create, and using financial proxies to represent them.

   A Social Return on Investment study helps us go beyond good intentions. It shows the real social value youth work delivers.

2. **How we did the maths**

   We added up the financial donations and cost of delivering the activities and value of the volunteer time. That's our investment.
   We then looked at our outcomes and gave each one a financial proxy (e.g. For example, for a stronger network of positive relationships -whanaungatanga- we used a treasury database value that represents reduced loneliness, and allowed for discounts for what might have happened anyway for the young person, or the involvement of others).
   We put the totals against each other to get the ratio, 12.69.

3. **What is a 'good' SROI result?**

   A ratio of more than 1:1 means you are generating more social value than the money spent. But it is important to look at the full value story being told rather than just the ratio. An SROI study can show where you are having the biggest positive impact on people but also where activities might unintentionally be having a negative impact, so it's good to look at the whole picture.

4. **What makes the sector-wide approach of this SROI novel?**

   Often SROI analysis is conducted on the activities of individual organisations or programmes, but with a sector wide approach you start to view things from the perspective of what sits beneath those activities or programmes, what about the approach of youth work is driving change, where are there similarities and differences between organisations and where are the different situations affecting their outcomes. You get both a high-level overview of the outcomes and a nuanced understanding of how different parts of the sector all contribute to that change in their own way.

5. **What does the SROI tell us? And what doesn't it tell us? / What are the limitations of SROI? What should we be cautious about when interpreting or using the results?**

   A ratio above 1:1 tells you that the activities being analysed are creating more wellbeing value than the resources being put into it. But more than that, the whole SROI process reveals what outcomes your stakeholders value the most, what changes feel significant to them, and how those changes came about. Consider the theory of change like a roadmap to the outcomes your stakeholders are most impacted by.

   There are definite limitations to the process as well. Significant stakeholder input is required, so you are asking for a lot of time from people and you may not always have the resources to engage with large numbers of stakeholders. Mapping out the theory of change with SROI also asks you to take quite a linear view on change at times as well which doesn't always align with how complex and interconnected our wellbeing can be. But if we don't measure these outcomes then we risk overlooking what is most important to the stakeholder.

   We would advise against using this SROI as a benchmarking tool for an organisation. The scope of an SROI has a big impact on what and whose value is captured, and there are a lot of different factors that make up the assumptions and discounts that get applied. You should really only benchmark against your own previous SROI.

   It is tempting to assume that a high SROI ratio shows that an organisation is efficient, but if you flip that assumption on its head you could also say "well is it possible that these outcomes are being created in an environment of under-funding?", and therefore "is there a risk to the long term sustainability of the sector or an organisation to keep producing those changes?" A lower SROI might indicate more appropriate resourcing.

6. **Which organisations and/or activities are covered by this SROI?**

   To qualify for this SROI and be modelled an organisation had to be primarily youth work focused and employing youth workers rather than be an organisation which had another primary focus but also serviced youth. The organisations also needed to have up to date information on the charity register and be members of the sector body for youth work Ara Taiohi.

   We ended up with 54 youth work organisations working across a pretty broad range of service contexts, activities and locations. The majority were working in multiple areas, which highlights some of the flexibility and responsiveness that youth work organisations bring. The flipbook and report explain this in more detail but we looked at both relational and practical activities such as youth development, school-based youth work, youth jobs, recreation, creative programmes, leadership and youth voice, faith-based and culturally grounded youth work. In terms of practical services there are areas like youth health and

counselling, care and transition support, justice and reintegration, and advocacy and systems navigation.

7. **How has this SROI taken Te Ao Māori and matauranga Māori into consideration?**

   From the outset we considered the ways in which we can honour our role and commitment as Te Tiriti partners. We worked really closely with Ara Taiohi to make sure that Te Ao Māori perspectives and matauranga Māori was considered at every stage of the development of the research. At the very outset of the project we built a working group that represented a range of lenses in youth work, particularly those of kaupapa Māori organisations and ensuring that taiohi Māori voices were involved in developing the outcomes. Later in our modelling it became clear that there were outcomes that resonated very strongly for taiohi Māori such as 'stronger connection to cultural identity' and so it was important to us that we reflected that importance both in the way the outcome was described but also in how we then accounted for that in valuing the outcome. Our engagement process was also developed in a way that meant taiohi Māori and their youth workers could work through the process in ways that felt more natural, such as through kōrero and story telling.

8. **How do you put a dollar value on things like confidence, wellbeing, relationships or belonging?**

   Things like confidence, wellbeing, relationships and belonging can seem subjective and hard to measure. And so those outcomes which are so meaningful to us as humans can easily end up in the "too hard" basket when really they should be at the forefront of decision making.

   But SROI recognises the importance of these types of outcomes to people and doesn't shy away from measuring those things and translating their value into dollar terms so that those outcomes can be brought into future decision making. It is important to note that the dollar values you see are financial proxies: essentially they are estimates that help us express the importance of outcomes, not exact prices for people's experiences.

   It is a complex process with careful consideration that results in that dollar value. Social Value International has a great value map template that anyone can download which gives you an understanding of each stage of the process and the steps involved.

   Essentially we start by asking who is affected by this activity (youth work) and how many people are affected.

   Then we ask what resources go into undertaking these activities. That is your investment value.

From there we listen to stakeholders as they describe the outcomes and changes they have experienced as a result of that activity, which mattered to them the most, or what outcomes were happening at scale. The journey to get to those outcomes becomes our theory of change, and the ‘material outcomes’ are what get taken forward for valuation.

From that point there are a few different techniques you can use to represent the value of those outcomes to the stakeholder in dollar terms however what we have done for this research is primarily look at Treasury's CBAX model for appropriate financial proxies. We then apply a number of discounts to that value so as not to overclaim the value created, so we discount for things like how much of the outcome was created by youth work versus how much of that outcome happened because of other factors like family support or school or church support. We also consider how much of that outcome might have happened anyway without the support of youth work, and how long the outcome is expected to last for, as well as how much of the outcome the young person feels they experienced. All of these factors are applied to that dollar term to bring it closer to a true representation of the value experienced.

So there is a fair bit that goes into assigning a dollar value to those kinds of outcomes but ultimately it is worth it to be able to truly reflect the importance of these outcomes to the young people.

9. How do you know the impact was actually caused by the youth work?

That is something we work very closely with the young person to define. We listen to the way they describe the outcomes happening, what activities they were engaging in, and who was contributing to that change. As part of the interviews taiohi were asked to list all the different people or things they felt contributed to that change. All of this data went into helping us figure out how much change was attributed to youth work and how much was attributed to the involvement of others - this is what we call the ‘attribution discount’. It is important to go through this process as these are complex changes and youth work is one part of the wider eco-system that a young person operates within. The SROI principle of not overclaiming requires us to measure and discount for that.

10. How do you know this wouldn’t have happened anyway without intervention?

This again is another discount factor that we apply which is called ‘counterfactual’ which is considering ‘what might have happened without the involvement of youth work’. Again we listen to the taiohi and the way they describe the change occurring, we listen to the way they describe life before engaging with youth work, how they envisioned life would be if they hadn’t engaged, as well as what external factors might have influenced that outcome happening such as the age and life stage of the young person.

11. Can you compare SROI figures between different organisations or programmes?

It is natural to assume you could use SROI as a comparison tool between different organisations or programmes but in reality it is not that simple. This is because SROI has so many variables that influence the final ratio. Essentially SROI ratios are specific to the scope, context, investment, activities and stakeholders of each study, so they are not really suitable as direct performance comparisons between different organisations or programmes. Meaningful comparisons need sufficiently consistent methods and a clear explanation of differences in the people, outcomes and contexts involved. It is better suited to an organisation evaluating progress and changes against their own previous SROI, or perhaps testing how well received the same programme is across different stakeholder groups and delivery contexts so the programme can be better tailored for those differences.

12. Why might two youth work programmes have different SROI ratios?

Every organisation is unique. They may both be offering a leadership programme to young people, but the context they are working in, the value the young people feel they get out of the programme, the outcomes they experiencing may be very different, the other contributing factors that create the outcome may be very different, and the investment put into the programmes could differ, all of these things will impact that final ratio.

13. **Does a higher SROI mean a programme is more effective? What should we think about alongside the ratio?**

Not necessarily. Alongside the ratio, we consider what changed, for whom, how strong the evidence is, any negative effects, and whether delivery is sustainable. For example you could have a very high ratio which might mean that the outcomes are highly valued by the stakeholder but they are under-funded. On the surface it might seem the change doesn't cost much, but in reality you could be putting so much strain on the organisation to work within such tight funding that it becomes unsustainable to continue creating such great outcomes in the long term.

14. Does monetising social outcomes reduce complex human experiences to a number?

Translating social outcomes into a dollar value gives an opportunity to really highlight how meaningful these outcomes are to people, and allows decision makers to have meaningful discussion around the value of supporting those outcomes to happen, rather than focusing on the things that are easy to quantify and cost. The risk comes when the number replaces the human story rather than helping communicate it.

15. How can a youth organisation in Aotearoa use this SROI?

We encourage youth organisations to dig into the theory of change and consider where they might be creating these outcomes in their own activities, as well as what outcomes they might be creating that they don't see in the framework. We have created a webinar to help with this.

Use the tools we've created such as the interview guides in the workbook, and the surveys we have used to begin tracking their own outcomes data and telling their own story of change. The more they can capture the outcomes that matter to their young people the more they can start to design their programmes, and develop their strategies to reflect the needs of the taiohi they support, as well as communicate to their funders and the wider sector the types of funding strategies that will have the greatest chance of enabling those outcomes. We also have created a 2-page funding guide on this to help with future funding applications.